

Item # _____

Prepared by Mike Swift

Approved by Brian Kuhn
County Attorney

**Resolution Approving and Appropriating the Shelby County Government's
Operating Budget for Fiscal Years 2010.
Sponsored by Commissioner J. W. Gibson, II**

WHEREAS, Pursuant to the provisions of Article III, Section 3.03 (B) of the Shelby County Charter, the Shelby County Mayor has presented a budget showing the sums necessary to be expended in order to carry out the functions of the County for the coming fiscal year, and said budget has been reviewed by this Commission's Committee No. 1, Budget and Finance, in order that the Commission might either approve said budget as presented or modify and amend the same as may be deemed requisite by the Board of County Commissioners; and

WHEREAS, The provisions of Tennessee Code Annotated Section 9-11-112 require of the County each fiscal year, while funding or refunding bonds issued under the provisions of this Chapter shall be outstanding, there shall be levied upon all taxable property in the County an ad valorem tax sufficient to pay the interest thereon as it falls due and the principal of such bonds which shall then have matured or which shall mature within the same fiscal year; and

WHEREAS, The Board of County Commissioners as the legislative body of the County, pursuant to the provisions of aforesaid Charter, is authorized to adopt resolutions governing the operation of government or regulating the conduct and affairs of the government of the County, and to fix a County tax rate and to adopt a County budget, and to make appropriations of County Funds for all legal purposes and to appropriate the proceeds of the tax levy on the assessed values on all properties within the County of Shelby for the fiscal Year July 1, 2009 through June 30, 2010; and

WHEREAS, This Commission's Committee No. 1, Budget and Finance, having reviewed the consolidated budget for Shelby County presented to the Commission by the Shelby County Mayor, recommends that total expenditures and transfers reflected in "Exhibit A" be approved in order to fund the Shelby County Government's Operating Budget for Fiscal Year 2010, which is inclusive of all operating funds; and

WHEREAS, It has been the policy of the County to make special grants to non-profit civic and charitable organizations from the general funds of the County; and

WHEREAS, The Administration and The Board of Commissioners are desirous to continue this policy and have included in "Exhibit B" a list of such non-profit civic and charitable organizations to be funded in the Fiscal Year 2010; and

WHEREAS, Pursuant to T.C.A. Section 5-9-109 and Item 69 which was adopted by this Commission on June 3, 1996, special requirements apply to the funding of non-profit civic and charitable organizations.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the recommendation of this Board's Committee No. 1, Budget and Finance, regarding the budget as contained in Exhibit A, a copy of which is attached hereto and incorporated herein by reference, for the operation of Shelby County, be and the same is hereby approved, adopted, and ratified by this Board in the total sum of \$1,120,336,213 and that \$1,167,738,806 is hereby appropriated in order to fund the Shelby County Government's Operating Budget for the Fiscal Year 2010.

BE IT FURTHER RESOLVED, That the accounting and budget records for all funds shall be maintained according to the policies established by Item 51 adopted by this Commission on April 12, 2004 and any subsequent amendments.

BE IT FURTHER RESOLVED, That the budget be summarized into various funds, as identified in Exhibit A, as amended, which is attached and incorporated herein by reference, in order to meet legal requirements and generally accepted accounting principles and to comply with financial reporting standards for governmental entities.

BE IT FURTHER RESOLVED, That each office, department, and Elected Official which receives appropriations from the County Government shall adhere to the budget as finally approved by line item for said entity.

BE IT FURTHER RESOLVED, That all special grants which are listed in Exhibit B are hereby appropriated to promote the general welfare of the residents of Shelby County and that disbursements of these funds shall not be made until the individual non-profit civic or charitable organization has fully complied with T. C. A. Section 5-9-109(c) and the provisions of Resolution #69, adopted by this Commission on June 3, 1996.

BE IT FURTHER RESOLVED, That the County retirement contribution for the fiscal year ended June 30, 2010 shall be \$18,336,000 (approximately \$500,000 will be contributed by the Regional Medical Center) as recommended by our actuaries based on the Actuarial Valuation Report as of July 1, 2008, paid in installments as determined by the Director of Administration & Finance. Retirement expense shall be charged to operations at 7.25% of covered payroll to allocate the retirement contribution and 7.50% of covered payroll shall be charged to operations for retiree's insurance costs.

BE IT FURTHER RESOLVED, That the Wheel Tax is designated for Education and up to 50% shall be provided for School operating costs and the remainder for School debt. The actual amount for School operations shall be the total revenue budgeted in the Education Fund less actual revenue excluding the wheel tax in the Education Fund, not to exceed 50% of the wheel tax.

BE IT FURTHER RESOLVED, That no Assistant County Attorney or other person on the County payroll may represent an elected official in any suit or action against the County and that Elected Officials are authorized to retain outside counsel only for the purpose of filing and arguing salary petition(s) or amendments thereto provided that sufficient funds are available in

their budget for this purpose.

BE IT FURTHER RESOLVED, That the appropriation to the Regional Medical Center, Account No. 010-201201-8978, is intended to be applied first to the cost of treatment of inmates from the County, for which the Regional Medical Center is not entitled to other reimbursements, with the balance to be applied towards the care and treatment of other indigent patients.

BE IT FURTHER RESOLVED, That authority is granted to allow for the establishment of several Internal Service funds and Fiduciary funds which the Administration has deemed appropriate and required for the proper accounting of certain expenditures.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are directed to modify the budget of the Central Services Fund and Fleet Services in the Road and Bridge Fund as to revenue and expenditures each time that any department or office either increases or decreases the amount budgeted for related expenditures. In addition, amounts budgeted for central services in Central Operations may be moved to all departments within the Mayor's Administration and all accounts for interdepartmental billings may be reclassified to the prime account allocations and interdepartmental expenditures.

BE IT FURTHER RESOLVED, That all printing must be ordered through the County Print Shop.

BE IT FURTHER RESOLVED, That for grant funds the Mayor and the Director of Administration and Finance are authorized to reduce the budget whenever a contract is less than authorized budget.

BE IT FURTHER RESOLVED, That the Mayor and the Director of Administration and Finance are authorized to transfer funds between all offices, Elected Officials, and divisions within the Personnel and Operations & Maintenance categories in order to allocate the Personnel Restrictions and Operations & Maintenance Restrictions.

BE IT FURTHER RESOLVED, That the Administration shall maintain the salary budget for permanent positions by position and may transfer positions and amounts to or from Central Operations wherever needed as authorized by the committee established by the Hiring Freeze resolution adopted as resolution #12 on January 26, 2009 which amended resolution number 40 adopted June 2, 2008. Temporary positions may be added or moved as necessary.

BE IT FURTHER RESOLVED, That Elected Officials with individually assigned county vehicles may continue to use such vehicles until June 30, 2010 and 2011 with the understanding that no new or replacement vehicles will be purchased individually for any elected official's personal use other than the Shelby County Mayor and Sheriff.

BE IT FURTHER RESOLVED, That 100 General Fund permanent employees shall be laid off on or before June 30, 2009 as listed in the attached Exhibit C by elected official in accordance with Civil Service Merit Act's layoff procedures and the positions shall be eliminated from the FY2010 budget. Permanent positions that became vacant after March 1,

2009 may be counted. Each elected official may choose to reduce other budgeted costs equivalent to \$55,250 per allocated position. Each elected official shall provide the Chief Administrative Officer a list of their positions to be laid off or other adjustments within seven (7) days of the date this resolution is approved. The Mayor and Director of Administration and Finance are hereby authorized to amend specific departmental budgets for these adjustments after they are received.

BE IT FURTHER RESOLVED, That should the appeals allowance in the certified tax rate calculation exceed actual appeal losses, the Director of Administration and Finance shall calculate the amount collected as a result of the appeals allowance exceeding actual appeals excluding collections allocated to Education. The amount so calculated shall be paid to the Shelby County Retirement System as an additional contribution by Shelby County. The Mayor and Director of Administration and Finance are hereby authorized to amend the budget for the payment and it is hereby appropriated.

BE IT FURTHER RESOLVED, That the County Mayor and the Director of the Division of Administration and Finance are authorized to issue their warrant or warrants for amounts not to exceed \$1,167,738,806 pursuant to the provisions of the Shelby County Operating Budget for Fiscal Year 2010 as set forth in "Exhibit A", as amended, and to take proper credit in their accounting therefor.

A C Wharton, Jr.
County Mayor

Date

ATTEST:

Clerk of County Commission

ADOPTED

SUMMARY SHEET

I. Description of Item

This resolution approves the FY2010 Operating Budget.

II. Source and Amount of Funding

Not applicable.

III. Contract Items

Not Applicable.

IV. Additional Information Relevant to Approval of this Item

The following changes have been made to this resolution subsequent to the budget committee meeting on May 27, 2009:

1. The words "and Appropriating" where add to the heading.
2. The next to the last "BE IT FURTHER RESOLVED" clause was added to provide for an amendment approved to provide a payment to the Shelby County Retirement System if appeal losses where less than the appeals allowance.
3. The Juvenile Court increase was reduced from \$1,000,000 to \$800,000 and the Juvenile Court Clerk increase was reduced from \$200,000 to \$100,000.
4. The reduction in the Southeast Library funding was changed from \$300,000 to \$150,000.
5. Exhibit A was replaced with the complete detailed list of adjustments for all funds from the proposed budget.
6. The total amount of the budget and the amount appropriated have been revised to reflect the current amended amounts.
7. The reference to the accounting policies adopted on April 12, 2004 has been corrected from resolution number 17 to resolution number 51.
8. The reference to the hiring freeze was corrected by adding that resolution number 12 adopted on January 26, 2009 was amending resolution number 40 adopted on June 2, 2008.
9. The total amount of the budget, the total amount appropriated and the total amount of warrants authorized have been revised to agree to the total budget as amended.
10. The budget as amended in Committee has \$300,000 more revenue than expenditures in the General Fund and will need to be amended to balance.

Administration recommends approval of this resolution.